



Ten Years Later Many Americans Are **CALLING IT CONSPIRACY**

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■ **LAST YEAR** marked the tenth anniversary of the publication of my book *None Dare Call It Conspiracy*, authored with Larry Abraham. For reasons that will be made clear at the end of this article, we have decided to take a look at that pioneer venture in the light of the intervening decade.

But first let us review the phenomenon that our little book became.

And it truly was a phenomenon, thanks to the energy, creativity, and enthusiasm of thousands of Americanist activists all over the nation who turned it into a runaway best-seller. Two million copies were sold in the first four months, with a strong impetus coming from the Presidential primaries which were taking place at the time. This proved a

Gary Allen (right) outlines the theme of his 1972 book which sold millions and exposed the conspiracies and machinations of the Council on Foreign Relations and its avatars. The Allen book was translated for Chinese, German, Spanish, and Swedish editions, and also became a best-seller in Australia and South Africa.

mixed blessing as your reporter and his partner had ordered a huge printing of books to be delivered in late spring for use in the fall campaign. We had visions of *None Dare Call It Conspiracy* becoming another *None Dare Call It Treason*, the 1964 political classic by John Stormer whose title had served as a model for our own.

Stormer had piggy-backed the Goldwater campaign for a sale of sixteen million books. We saw this as the potential size of our market, looking on the George Wallace campaign as our version of the Goldwater effort. For all of his limitations, the Alabama governor was a powerfully appealing anti-Establishment candidate, and we had just the anti-Establishment book which we hoped to make the intellectual sword of a crusade to dislodge the Rockydems and Rockypubs. Without quite realizing how right he was, or exactly why, George Wallace had popularized the notion that "There's not a dime's worth of difference" between the two parties. His was an anti-elitist appeal that for a time seriously threatened to win for him the Presidential nomination of the Democratic Party or create a third party of major significance.

Unfortunately for the country and for us, less than a week after our

enormous run of books came rolling off the presses, Arthur Bremer pumped six .38 bullets into the Alabama Populist from near point-blank range in a suburban Maryland shopping center. Ironically, the tragedy for Wallace came just one week after he had proved himself a potential national winner by taking the Democratic primary in the northern industrial state of Michigan. Bremer's bullets not only cut down the governor, they finished our hopes for making a Stormer-style breakthrough.

Sales plummeted after Wallace was shot out of the race, but they leveled at a rate which by any other standards was astronomical. To our surprise, sales did not rise during the American Party's subsequent Schmitz-Anderson campaign; but, to our greater surprise, neither did they collapse after election day. Indeed they remained at a high level. *None Dare Call It Conspiracy*, with its arguments and proofs that American politics and prosperity are manipulated by a powerful clique of international bankers, had taken on a life of its own, independent of electoral politics. The book continued to sell through the last two years of the Nixon Administration, the two-year Ford Administration, four years of Jimmy Carter, and even the first



FINANCING BOLSHEVIK REVOLUTION



Economist Murray Rothbard observes: "Far from being a paranoid or a determinist, the conspiracy analyst is a praxeologist; that is, he believes that people act purposively, that they make conscious choices to employ means in order to arrive at goals." He calls conspiracy analysis "an essential tool for analyzing the world."

year under Ronald Reagan. Then, at age ten, an ancient one for a political book, this old soldier finally began to fade away.

Re-reading the book as preparation for this article, I not only found it still relevant but an excellent means of refreshing my memory on some most important history. In compiling *None Dare Call It Conspiracy*, we meant it to be the equivalent of twenty books condensed into one. Many still consider it the best conspiracy primer for neophytes, and even now we get letters from readers who have just discovered it and are excited by its revelations.

The impact of *None Dare Call It Conspiracy* was in fact international. Hundreds of thousands of copies were distributed in Australia and South Africa, where they had considerable influence. The book also was translated for Spanish, Chinese, German, and Swedish editions which were promptly sold out. In America, our little 148-page volume became almost a cult book. It was sometimes used in high-school and college classrooms and even crossed ideological lines to become widely read by student radicals. Hopefully, it helped some of them realize how they were being used in a game which was much bigger and far different than they imagined.

Why was *None Dare Call It Conspiracy* such a phenomenon? It got off quickly because it outlined an international conspiracy which many Americanists had for several years been trying to explain to their friends in bits and pieces. It put the separate parts in a compact package and wrapped it up in a big blue ribbon. Most of the scholarship, of course, was not original. We had assembled the best thinking and research on modern political and financial conspiracy and put them together in a form simple enough to make sense to the neophyte reader. This is not false modesty. We are proud that we were able to take so complicated a subject and present it in comprehensible terms to millions of people.

Although the book received a modicum of media publicity, and was eventually sold in some commercial bookstores, it began and remained for a decade an *underground* best-seller. Passed hand to hand, it drew mail orders from the unlikely places imaginable. But this grassroots triumph may never again be repeated. The reasons are primarily those of distribution. When *None Dare Call It Conspiracy* was published in 1972, it was priced with a very thin markup, allowing major quantity discounts to encourage readers to buy and circulate copies.

After 1972, price inflation exploded, tripling printing costs and jacking up promotional and fulfillment costs nearly five times. Skyrocketing postage not only greatly increased the cost of shipping books by mail, but also made it uneconomic to promote a low-margin paperback book by using mailing lists.

Whatever the merits of the system of distribution we used, greatly assisted as we were by The John Birch Society and other Americanists, it was the theme of the book which was at the root of its success. That theme may be briefly outlined as follows:

1. Our Introduction promised: "After reading this book, you will never look at national and world events in the same way again." We equated the reading of your newspaper with the search for "the picture hidden inside the picture" that we all remember from childhood magazines. You have to know what you are looking for because the mass media are controlled by the Eastern "Liberal" Establishment which has at its apex the *Insiders* of international banking.

2. Once upon a time in this country people became millionaires through success in the free market. For example, by manufacturing and mass-producing products which many needed and wanted to buy. Today, with a nearly omnipotent government, a man might more easily become wealthy and powerful by manipulating government; by obtaining special privileges, subsidies, and contracts, he can loot some part of the vast wealth that has been taken from his fellow citizens in the form of taxes. Those who want power today, we said, follow this advice: "Get into the government business! Become a politician and work for political power, or, better yet, get some politicians to front for you. That is where the

real power, and the real money, is."

3. The Federal Reserve System is one of the most destructive con-jobs ever imposed on an economically ignorant or naïve people. Prior to the establishment of the Federal Reserve in 1913, if a bank lent more than it could return on demand, it went broke, and the individual depositors in that bank were ruined, but the entire national economy did not go down the drain as a result. With the creation of the Federal Reserve System, and with the member banks being bailed out of whatever troubles they got themselves into by infusions of unbacked paper money from the Fed, an enormous engine of inflation was created on a national scale. This leads inevitably to an inflationary price spiral and then to economic depressions from which nations emerge with still more government controls "to handle the emergency."

4. Less well known is the fact that the Federal Reserve is in the hands of a small number of men who are not responsible to the electorate; men who once they are in office are independent even of the President of the United States who appoints them for a fourteen-year term. This is not surprising since it was bankers working secretly behind the scenes who engineered the creation of the Fed. The Federal Reserve Board causes panics, depressions, and inflations as it chooses.

We cited the misgivings of leading Senators and Congressmen at the time the system was established. For instance, Henry Cabot Lodge Sr. said of the Federal Reserve Bill: "It seems to me to open the way to a vast inflation of the currency . . . which will make it possible to submerge the gold standard in a flood of irredeemable paper currency." And Representative Charles A. Lindbergh Sr.

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warned: "This act establishes the most gigantic trust on earth . . . The invisible government by the money power . . . will be legalized. The new law will create inflation whenever the trusts want inflation." Decades later, Congressman Wright Patman observed: "In the U.S. today we have in effect two governments. . . . We have the duly constituted government . . . and then we have an independent, uncontrolled and uncoordinated government in the FRS, operating the money powers which are reserved to Congress by the Constitution."

5. Like the Big Banks, Big Business also saw an opportunity to manipulate the government for its purposes. It wanted and secretly agitated for controls on the economy such as the Interstate Commerce Commission, the Sherman Antitrust Act, and many subsequent laws. Gabriel Kolko's book *The Triumph Of Conservatism* has shown this beyond any doubt. We quoted Kolko as stating: "Despite the large numbers of mergers, and the growth in the absolute size of many corporations, the dominant tendency in the American economy at the beginning of this century was toward growing competition. [But] competition was unacceptable to many key business and financial interests." They wanted the field to themselves; those they could not put down through competition on the open market they struck down by passing laws.

New competitors, hamstrung by government regulations which they could not afford during their formative period, were forced under. Their creativity and ingenuity were lost in the face of ever-increasing coercive measures by the government. To this

was added a graduated income tax written to protect moneyed elitists while discouraging new capital accumulation. It is almost impossible now for newcomers to amass enough capital to survive and compete unless they are in a new, high-tech field, whereas the big corporations already have substantial wealth, which they sometimes funnel through tax-free foundations into causes which expand both government and their own power.

This explains why the *Insiders* of high finance have embraced collectivism. They understand that it is not a movement to redistribute the wealth of the rich downward to the poor, but a system to redistribute the earnings of the middle class upward to those *who know how the game is played*. They see socialism not as an economic system but as a people-control system.

6. The main theme of the book is that many of the major historical events of our time, such as wars and depressions, were as accidental and spontaneous as the Rose Parade. We quoted the late Harvard, Princeton, and Georgetown University historian Carroll Quigley as stating in *Tragedy And Hope*: "There does exist, and has existed for a generation, an international . . . network which operates, to some extent, in the way the radical Right believes the Communists act. In fact, this network, which we may identify as the Round Table Groups, has no aversion to cooperating with the Communists, or any other groups, and frequently does so."

The Round Table Group in the United States is the Council on Foreign Relations, abbreviated as C.F.R., which is now headed by megabanker David Rockefeller. Dan Smoot, former assistant to F.B.I. Director J. Edgar Hoover, rightly called the C.F.R. our "invisible government."

Because the international bankers who run the C.F.R. have their investments scattered all over the world, they quite naturally have a multibillion-dollar interest in American foreign policy. They protect and expand their investments by attempting to control both the Democrat and Republican parties at the Executive level.

The C.F.R. has dominated every Administration, regardless of the party theoretically in power, from F.D.R. up to and including that of Ronald Reagan. The President can use positions like Secretary of Transportation to pay off his other political obligations, but there are five key slots in any Administration which almost invariably go to members of the C.F.R. They are: Director of the C.I.A., chief National Security Advisor, Secretary of State, Secretary of Defense, and Secretary of the Treasury. The banking crowd intends to control money and foreign policy. It does, and this C.F.R. control over the Executive branch is why there "is not a dime's worth of difference" between the Rockypubs and the Rockydemts.

7. The Banking Establishment was financially involved in the Bolshevik Revolution and has cooperated with it ever since. Without vast transfusions of money and technology, there would be no Soviet threat which requires us to spend more than \$200 billion a year on national defense. The Soviet military-industrial complex was made in the U.S.A. This is the greatest scandal of the Twentieth Century, and while totally provable, it has been completely ignored by the lapdogs of the mass media whose investigative hounds were so good at scouring the nation for Watergate stories.

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It is not surprising that a book based on these themes wouldn't be

everyone's cup of tea. But one might assume that a volume which was selling millions of copies and making such astounding charges would be subjected to a large number of reviews, favorable and unfavorable. There were in fact remarkably few. Most of those which did appear were in comparatively small, often weekly, newspapers.

"Liberal" journals carefully ignored the volume. Conservative periodicals were divided. By far the nastiest appeared in William F. Buckley's *National Review*. Under the Books In Brief section of Mr. Buckley's fortnightly journal, *None Dare Call It Conspiracy* was given eight column inches by reviewer Alan Reynolds, who began: "Mr. Allen has revived the old Marxist line about the United States being neither a republic nor a free economy, but a political and economic system dominated by industrial monopolists and Wall Street financiers."

What we had said was that conspirators had subverted the republic given to us by the Founding Fathers. That anyone at *National Review* could claim that we now have a free economy defies plausability. Of course, one could claim that this is not the work of conspiring bankers and business moguls, but of government bureaucrats with their millions of miles of red tape. Never mind the anti-competitive advantage the giants gain in embracing whatever harassing regulation comes along to strangle competition from smaller independents. Even so, ignoring that argument, consider this statement by the late Congressman John Ashbrook, for two decades a leader of Conservatives in the House of Representatives, shortly before his tragic and untimely death last year. On page one of his *Washington Report* headlined "Big Business, Ally Of Liberal-

Left Causes," Mr. Ashbrook declared:

"The most potent force in helping liberals and leftists achieve their goals in this country would not be professors or clergymen. Nor would it be the liberal politicians or the radical activists who want socialistic change. Nor the news media or even the vocal and militant leaders of large and powerful American unions. Nothing has been more obvious to me over my years in Congress than the fact of life that, in most issues, the most potent adversary we have is none other than big business.

"My record is rather clear regarding free enterprise, the private sector, socialism and communism, big government, patriotic issues and conservative issues. I am anything but an anti-business legislator, so my appraisal of this foe comes with enough credentials, I believe, to make the case objectively.

"Big business is an ever-present although quiet and subdued partner in the iron triangle that runs American politics. The closer you study our American government the more you realize this silent but firm hand controls our destiny. That iron triangle is made up of the big business types — mostly eastern and predominantly banking-investment houses and international consortium types, who work side by side with the elitist Foundation and high-powered issue groups. These closely tie to government, and, indeed, the ranks of most influential policy makers are made up of those who go from the Foundation and Eastern big business board rooms to the government and back to the groups which I have included in this newsletter. There is an interlock."

Would *National Review's* Reynolds also regard Congressman Ashbrook as a purveyor of the Marxist

line? Or was the Reynolds review influenced by the fact that his employer, the Establishment's favorite Conservative, was himself marked for membership in the C.F.R.? I do not mean to suggest that William F. Buckley Jr. is one of The Mob. Not even a majority of the two thousand or so members of the C.F.R. are active conspirators. But the hierarchy of that group is a different matter, and Buckley and Reynolds have reason to know it. As with all secret societies, the C.F.R. operates on the principle of circles within circles within circles. Perhaps Mr. Buckley is simply being used by *Insiders* who know that he has an ego the size of the deck of the *U.S.S. Midway*. For whatever reason, Buckley just can't admit he was wrong about conspiracy theory when he set out in the early Sixties to expel its analysts from Conservative circles.

Possibly we should let lying dogs sleep, but when Mrs. Mary Virgillo wrote to Reynolds spanking him for the distortions contained in his "review" of *None Dare Call It Conspiracy* he closed his reply with: "Tell Mr. A that I'm not finished with him." I don't now whether that was a physical or journalistic threat. For ten years now I have been cowering in my office lest dandy Bill's bullyboy drag me into an alley and go after me with a whip. Or could it be that Reynolds has a single-shot Derringer hidden in the lace of his cuff? I have no idea, but I live in dread.

About the time that Alan Reynolds was smearing us, we received a letter which, while not a review, made us feel very good indeed. It was from Mr. Stanley J. Tracy, retired Assistant Director of the F.B.I., who wrote: "If Americans can be awakened to the progressive loss of their freedoms, *None Dare Call It Conspiracy* is the book that can open their eyes to

the reality of the situation as it exists." A lot of eyes were opened, though in the absence of word to the contrary we must presume Mr. Reynolds is still using a white cane to get across the street.

The late William Loeb, the cantankerous and courageous publisher of the fiercely Conservative *New Hampshire Union Leader*, editorially attacked *None Dare Call It Conspiracy* as anti-Semitic when it was first published. Some of the key international financiers involved in setting up the Federal Reserve and bankrolling the Bolshevik Revolution were indeed Jews. But we had explicitly warned in the book that anti-Semitism is a diversion and a trap. We stated: "Anti-Semites have played into the hands of the conspiracy by trying to portray the entire conspiracy as Jewish. Nothing could be farther from the truth. The traditionally Anglo-Saxon J.P. Morgan and Rockefeller international banking institutions have played a key role in the conspiracy. There is no denying the importance of the Rothschilds and their satellites. However, it is just as unreasonable and immoral to blame all Jews for the crimes of the Rothschilds as it is to hold all Baptists accountable for the crimes of the Rockefellers."

Later Mr. Loeb reversed himself. It seems he had not actually read the book when he attacked it. The attack was made at the entreaty of one of his editors, then very much under the spell of William Buckley, who assured the New Hampshire publisher the book was anti-Semitic. Later, West Coast newspaper editor Mike Culbert, a good friend of Bill Loeb, convinced him that the book was an important one, was not anti-Semitic, and sold him on reading it for himself. Mr. Loeb quickly became a raging opponent of the C.F.R. and

turned our thesis into a major issue during the 1980 New Hampshire primaries. Candidate Ronald Reagan picked up the themes being played in the *Union Leader's* fiery front-page editorials and soon began denouncing the influence on the Carter Administration of the C.F.R. and of its allied Trilateral Commission.

What Loeb started was carried over into Florida where the head of the Florida Conservative Caucus bought advertisements to repeat it in the major newspapers in the state. Reagan continued to grumble against the C.F.R. and the Trilateral Commission, but by then he had a new campaign manager, William Casey, who was a member of the Council on Foreign Relations. Casey now heads the C.I.A. After Florida, the C.F.R.-T.C. issue was allowed to die, no word about it has since passed Reagan's lips, and members of those organizations are as thick in the Reagan Administration as swallows at Capistrano in April. Even so, the issue has become an important one with both mainline Conservatives and the New Right.

In 1972, anyone who thought the C.F.R. was anything more than a luncheon club for American versions of Colonel Blimp was regarded as in the same category with members of the Flat Earth Society. Over the next few years, however, the number of those who recognized that a conspiracy was operating at the highest levels of our federal government grew enormously. Among the general public, Watergate helped mightily to give credibility to the thesis of *None Dare Call It Conspiracy*. Early on, we had many letters from Americans telling us that they could not accept the idea that such corruption could exist at the highest levels of our government. After Watergate, they believed it. If top politicians were

capable of Watergate, it was reasoned, they were also capable of the high-level political conspiracy with international bankers that we had described.

The Nixon Administration was loaded with C.F.R. members, all working against the Conservative issues which the opportunistic Nixon had trumpeted on his way to the Oval Office. Dispatched in disgrace to his castle in California, Nixon's replacement, Gerald Ford, stayed the course set by Henry Kissinger and other C.F.R. conspirators. But it was the era of Jimmy Carter which made *None Dare Call It Conspiracy* fully credible. Carter, you will recall, based his campaign for the White House on the claim that he was an outsider who would bring to Washington "new leadership" from outside the Establishment. Once elected, however, he appeared to have taken the roster of the C.F.R. and the Tri-lateral Commission and used it to staff his Administration. Indeed, maybe he did. But no one could any longer argue that it made a "dime's worth of difference" whether a Republican or a Democrat resided in the White House. Under Carter, the "invisible government" became as plain as the nose on Jimmy Durante's face.

Over the decade *None Dare Call It Conspiracy* came to have an enormous impact upon movement Conservatives, the leaders and activists of a wide range of organizations running the gamut from those primarily interested in promoting Free Enterprise to the Moral Majority religious groups and the fighters against abortion. Most of these leaders were somewhat dubious about the book's theme when it was first published. Once sensitized to the role of the C.F.R., however, they could not help but observe its hold on the levers of power in Washington and New York.

When Ronald Reagan loaded his Administration with agents of this same Eastern "Liberal" Establishment, the case was made. In a decade, Washington watchers had observed two different Republican Administrations, followed by a Democrat, and then another Republican Administration. Through it all the common thread was that no matter who was sitting in the Oval Office the most important men around and beside him all belonged to the same lodge. Today, the only movement Conservatives who pooh-pooh the power of the C.F.R.-T.C. combine are on the mastheads of *National Review* and *Human Events*.

We have already explained our theory of why the Buckleyites are lame and halt on this issue, but why are the gentlemen at *Human Events* willfully blind? The Washington-based tabloid sees itself as the voice of the conservative wing of the G.O.P. When we published *None Dare Call It Conspiracy*, the editors of *Human Events* had already committed to the Buckley position that any mention of conspiracy is *verboten*. In 1972 we tried to buy space in *Human Events* for an advertisement for our book. The advertising department was very eager to have our ad, and its letter of May 19, 1972, extolled the virtues of advertising our book in *Human Events*. Then we received another communication, dated May 31, 1972, which stated: "After reading Mr. Allen's book, our editors found themselves substantially in disagreement with its theme. Since we try to restrict advertising, particularly for books, to those more in line with the views of *Human Events*, they have asked me to inform you that we will not be able to accept your full page ad."

We bear *Human Events* no ill will. It had painted itself into a corner

with the Buckley people on this subject. Because its Conservatism is sincere and its influence is substantial we hope that its editors soon join the rest of the movement Conservatives on this issue.

While we are not fanatical about demanding that others use the term "conspiracy," we remain adamant on the point that *that's what it is*. It is a conspiracy to use political power for monopolistic control and immense financial gains. And this network is clearly international in scope and of long-standing duration.

The basic principle, to repeat, is very simple. Whenever any level of government intervenes in an industry, it always tends to reduce competition and benefit the big, established firms already on top of the market by barring or discouraging entry by potential competitors. The more government intervenes, the more cartelized and monopolized industry becomes. Thus, powerful vested-interest groups have grown up around Big Government, promoting and using it for their own benefit at the expense of everybody else. The most interventionist political system is *socialism*, where the government holds total power over the lives and properties of the people. Because it is the most interventionist system, socialism is also the most monopolistic. The relationship between socialism and monopoly is that you can't have one without the other. Socialism is, therefore, the royal road to monopoly power for the super-rich. To achieve a worldwide monopoly for controlling world markets, you need a *World Socialist Super-State*. This is what the Establishment *Insiders* want.

It is therefore critical to the monopolist-socialist political machine that the people sanction government

intervention as legitimate, and that government programs be seen as devoted to the chimera called "the common good" or "the public interest." Hence the Establishment's "court intellectuals" in the Halls of Poison Ivy preach constantly against Free Market economics and subtly (or not so subtly) advocate interventionism and socialism as the answer to every imaginable problem. Turning truth on its head, they put forth the claim that exploitive monopolies are a product of free markets and that "positive" government action is necessary to quell the rapacious activities of capitalist robber barons.

In fact, of course, the Rockefellers and Rothschilds have gained infinitely more power and plunder through their political manipulations and government privileges than they ever could have under a Free Market system. The socialist notion that government intervention is necessary to advance the "public good" is eyewash to hide from its victims the monopolistic nature and purpose of socialism. Concealed behind the propaganda stands a powerful special-interest elite — a conspiratorial oligarchy seeking political power and special privilege.

Meanwhile, misguided populists and well-meaning reformers, habitually preaching socialism and regulation, become front men for interests which they would never knowingly support.

If one understands that socialism is not in practice a share-the-wealth program but a scam to consolidate political power and control, stealing the wealth of others, then the seeming paradox of the super-rich promoting socialism becomes no paradox at all. Instead, it becomes clear that Big Government is the logical, even the perfect, tool of power-seeking monopolists. When some of the most

cunning of these men meet privately and formulate plans to move toward an illicit goal, they become members of a *conspiracy*. There has been a trend for well over a century toward ever more centralized and powerful concentrations of political control. This trend has been consciously promoted by men benefiting from it — including many who have sworn an oath to uphold the U.S. Constitution and our limited government. These men are *conspirators*. There is no other word which describes them so well.

To duck accountability, politicians and "intellectuals" labor to popularize the notions that men and events are propelled by mysterious tides created by "accident." Denying that men are responsible for their actions, the determinists and accidentalists would have us believe that ascribing major national and international trends to planning and manipulation is "simplistic." They adopt a sneering attitude toward the cause-and-effect view of history which recognizes that men will and do conspire for power.

One of the few major scholars who openly endorses conspiracy theory is Murray Rothbard, who earned his doctorate at Columbia, is professor of economics at the Polytechnic Institute of New York, and is author of such important books as *America's Great Depression* and *Man, Economy, And State*. Writing in the April 1977 issue of *Reason* magazine, Professor Rothbard defends conspiracy analysis in politics as follows:

"Anytime that a hard-nosed analysis is put forth of *who* our rulers are, of how their political and economic interests interlock, it is invariably denounced by Establishment liberals and conservatives (and even by many libertarians) as a 'conspiracy theory of history,' 'paranoid,'

'economic determinist,' and even 'Marxist.' These smear labels are applied across the board, even though such realistic analyses can be, and have been, made from any and all parts of the economic spectrum, from the John Birch Society to the Communist Party. The most common label is 'conspiracy theorist,' almost always leveled as a hostile epithet rather than adopted by the 'conspiracy theorist' himself.

"It is no wonder that usually these realistic analyses are spelled out by various 'extremists' who are outside the Establishment consensus. For it is vital to the continued rule of the State apparatus that it have legitimacy and even sanctity in the eyes of the public, and it is vital to that sanctity that our politicians and bureaucrats be deemed to be disembodied spirits solely devoted to the 'public good.' Once let the cat out of the bag that these spirits are all too often grounded in the solid earth of advancing a set of economic interests through the use of the State, and the basic mystique of government begins to collapse."

The distinguished economist goes on to explicate this point by taking an easy example: "Suppose we find that Congress has passed a law raising the steel tariff or imposing import quotas on steel. Surely only a moron will fail to realize that the tariff or quota was passed at the behest of lobbyists from the domestic steel industry, anxious to keep out efficient foreign competitors. No one would level a charge of 'conspiracy theorist' against such a conclusion. But what the conspiracy theorist is doing is simply to extend his analysis to more complex measures of government: say, to public works projects, the establishment of the ICC, the creation of the Federal Reserve System, or the entry of the United States into a war.

In each of these cases, the conspiracy theorist asks himself the question *cui bono*? Who benefits from this measure? If he finds that Measure A benefits X and Y, his next step is to investigate the hypothesis: did X and Y in fact lobby or exert pressure for the passage of Measure A? In short, did X and Y realize that they would benefit and act accordingly?

"Far from being a paranoid or a determinist, the conspiracy analyst is a *praxeologist*; that is, he believes that people act purposively, that they make conscious choices to employ means in order to arrive at goals. Hence, if a steel tariff is passed, he assumes that the steel industry lobbied for it; if a public works project is created, he hypothesizes that it was promoted by an alliance of construction firms and unions who enjoyed public works contracts, and bureaucrats who expanded their jobs and incomes. It is the opponents of 'conspiracy' analysis who profess to believe that all events — at least in government — are random and unplanned, and that therefore people do not engage in purposive choice and planning."

Observing that "virtually the entire top leadership of the [then] new Carter Administration, from Carter and Mondale on down, are members of the small, semi-secret Trilateral Commission," Rothbard points out important questions that must be asked — questions ignored by the Establishment's journalistic community. He writes: "Do we say that David Rockefeller's prodigious efforts on behalf of certain statist public policies are merely a reflection of unfocused altruism? Or is there pursuit of economic interest involved? Was Jimmy Carter named a member of the Trilateral Commission as soon as it was founded because Rockefeller and the others wanted to

hear the wisdom of an obscure Georgia governor? Or was he plucked out of obscurity and made President by their support? Was J. Paul Austin, head of Coca-Cola, an early supporter of Jimmy Carter merely out of concern for the common good? Were all the Trilateralists and Rockefeller Foundation and Coca-Cola people chosen by Carter simply because he felt that they were the ablest possible people for the job? If so, it's a coincidence that boggles the mind. Or are there more sinister political-economic interests involved? I submit that the naïfs who stubbornly refuse to examine the interplay of political and economic interest in government are tossing away an essential tool for analyzing the world in which we live."

The crusading journalists of the C.B.S. network's "Sixty Minutes" program, for instance, have assiduously ignored these questions and the whole C.F.R.-Rockefeller-T.C. issue. One asks why? Then one notes that William Paley, the longtime chairman of C.B.S., and at least five directors on its corporate board, as well as many of its leading commentators, are members of the Council on Foreign Relations. The same is true of the *New York Times* and the *Washington Post* and *Time* and *Newsweek* and every one of the mass media. Need one be "paranoid" to ask if this has anything to do with their evasion on this issue?

In his *Reason* article, Professor Rothbard acknowledges that there "are, of course, good conspiracy analysts and bad conspiracy analysts, just as there are good and bad historians or practitioners of any discipline." In *None Dare Call It Conspiracy* we warned against bad conspiracy analysis when we observed: "Some conspiratorialists do indeed overdraw the picture by expanding

the conspiracy (from the small clique which it is) to include every local knee-jerk liberal activist and government bureaucrat. Or, because of racial or religious bigotry, they will take small fragments of legitimate evidence and expand them into a conclusion which will support their particular prejudice, i.e., the conspiracy is totally 'Jewish,' 'Catholic,' or 'Masonic.' These people do not help to expose the conspiracy; but, sadly, play into the hands of those who want the public to believe that all conspiratorialists are screwballs."

Professor Rothbard goes on to observe: "The bad conspiracy analyst tends to make two kinds of mistakes, which indeed leave him open to the Establishment charge of 'paranoia.' First, he *stops* with the *cui bono*; if measure A benefits X and Y, he simply concludes that *therefore* X and Y were responsible. He fails to realize that this is just an hypothesis, and must be verified by finding out whether or not X and Y really did so." *None Dare Call It Conspiracy*, for example, showed that the same people who benefited from central banking were also those responsible for its enactment and creation.

Rothbard continues: "Secondly, the bad conspiracy analyst seems to have a compulsion to wrap up all the conspiracies, all the bad guy power blocs, into one giant conspiracy. Instead of seeing that there are several power blocs trying to gain control of government, sometimes in conflict and sometimes in alliance, he has to assume — again without evidence — that a small group of men controls them all, and only *seems* to send them into conflict." Again, while we maintained in our book that this conspiracy was international in scope, we took pains to point out that all the evil plots in the world are not under a single locus of control. Such a view

would amount to a form of determinism in which every addled collectivized one meets is "one of them."

It doesn't work that way, of course. Many individuals, having nothing to do with conspiracy or any knowledge of one, can and often are drawn unwittingly into serving the aims of Establishment *Insiders* by embracing carefully promoted intellectual or social fads which lead them to advocate and push for laws and regulations that play into the hands of conspiring interest groups. People act freely to do the craziest things as a result of a system of rewards (grants to scholars pursuing certain lines of research, for example) and punishments (getting passed over for a teaching position at a prestigious university for having the "wrong" opinions). The point is that we are not looking under every bed, as some charge. The international conspiracy about which we have been writing is not omnipotent, omnipresent, omniscient, or infallible; it is composed of power-hungry but quite mortal *men*. Like everyone else, they sometimes make mistakes, see their plans backfire, and experience serious setbacks. They are far from invincible, and their success is assuredly not written in the stars.

But they have had terrible successes. An important thesis in *None Dare Call It Conspiracy* was that "Communism" is not a movement of the down-trodden masses but a movement created, manipulated, and used by power-seeking billionaires to gain control over the world — first by establishing socialist governments in the various nations and then by consolidating them through a "Great Merger" into that ultimate monopoly, a World Government. A crucial element in the process of taking over and collectivizing a nation has always

involved gaining monopolistic control over its money system. The most lucrative and highly valued of all government-granted monopolies has therefore been that of central banking — an exclusive charter for legalized counterfeiting. Through central banking, observed Reginald McKenna, president of the Midlands Bank in England, "Those that create and issue the money and credit direct the policies of government and hold in their hands the destiny of the people."

We also reminded our readers that such political control over money and banking has been a key ingredient in the program advocated by the Communists. It is in fact the fifth plank of the *Communist Manifesto*. And Lenin remarked that the establishment of a central bank is ninety percent of capturing a country. Let us meet Professor Rothbard's standards for good conspiracy analysis here by briefly reviewing the account, related in our 1972 book, of the development of one particular central bank — our own country's Federal Reserve System. The creation of the Federal Reserve monopoly is a textbook case of conspiracy — a study in scarlet.

Men from the brotherhood of international banking, including Paul Warburg, Frank Vanderlip, and Benjamin Strong, met in utter secrecy on the estate of J.P. Morgan on Jekyll Island, Georgia, in the year 1910. There they conspired to have the U.S. Government set up a central bank for them, and prepared to sell the scheme as a "people's bill" alleged to thwart the power of Wall Street. They drew up a plan which three years later became the basis for the legislation enacted by Congress that established the Federal Reserve. The story of this clandestine meeting and the political machinations used to get the measure adopted has been told in

more detail elsewhere. We know that it is true because Frank Vanderlip, one of the principal participants, boasted of it years later in an article published in the *Saturday Evening Post*, and the essential points have been confirmed independently by others.*

Realizing their own unpopularity, the banking *Insiders* erected a smoke-screen of phony opposition to the proposal while pushing for it behind the scenes. It was strictly a case of Br'er Rabbit begging not to be thrown into the briar patch. The Wall Street financiers denounced what was in fact their own bill. This drew support for it from misguided populists and the usual do-gooders. As Vanderlip boasted nearly twenty-five years later: "Now, although the Aldrich Federal Reserve Plan was defeated when it bore the name Aldrich [*Senator Nelson Aldrich was the maternal grandfather of Nelson Aldrich Rockefeller*], nevertheless its essential points were all contained in the plan that finally was adopted."

The myth that the "money trust" had been defrocked should have been exploded when Paul Warburg (the actual author of the original draft) was appointed to the first Federal Reserve Board — a board picked by the notorious conspirator "Colonel" Edward Mandell House, a founder of the C.F.R., to represent the interests of the Wall Street banksters. Moreover, the man who served as chairman of the New York Federal Reserve Bank during its early critical years was the same Benjamin Strong of the Morgan interests who had accompanied Warburg, Davison, Van-

*See Frank Vanderlip, "Farm Boy To Financier," *Saturday Evening Post*, February 9, 1935; Stephen Birmingham, *Our Crowd*, Dell Publishing, New York, 1967; Gabriel Kolko, *The Triumph Of Conservatism*, Quadrangle Books, Chicago, 1967.

derlip, *et al.*, to Jekyll Island. The chairman of the Federal Reserve has always been someone congenial to the interests of the international bankers. The pattern continues to this day, with Paul Volcker — formerly an official with David Rockefeller's Chase Manhattan Bank — serving as Fed chairman.

How useful has the Fed been to the conspirators who put it in place? Since its creation in 1913, America's National Debt has mushroomed a thousand-fold, from \$1 billion to well over \$1.1 trillion. The total amount of interest paid since that time to the international bankers, who hold much of that debt, has been staggering. Interest on the National Debt, now the third-largest item in the federal Budget, is running at \$126 billion a year and still climbing, compared to \$20 billion annually in the year we published *None Dare Call It Conspiracy*. So the banking elite has grown even richer by manipulating inflation and public debt, the two corollaries of a managed money system.

My point is that the conception, birth, and history of the Federal Reserve fully demonstrates the presence of a powerful conspiracy, and one which is a crucial part of a wider conspiracy. Those special financial interests who secretly pushed for the Fed were also the ones that have primarily benefited from its disastrous policies which have robbed the

rest of us. They *planned* it that way! It was no accident.

The ultimate solution to this scandal is not more government regulations, but a policy of "hands off" our money and all voluntary activities of production and exchange. With government constitutionally prohibited from meddling in the private affairs and economic dealings of the people, no conspiracy of would-be monopolists or special-interest hustlers could use political power as a legal tool to obtain special privileges and to plunder. Without government intervention, they would lose their power base and have to compete in a free market. That is why they oppose *laissez faire* with all the ardor with which the werewolf fears silver bullets.

Americans have in a decade made considerable progress in exposing these conspirators, but there is much to do if they are to be stopped. Which is why your correspondent and Larry Abraham have decided to do a sequel to update our 1972 book and to explain what Americans can do now to expose and defeat those conspiring against our liberties. To be entitled *Call It Conspiracy*, it will be available by late 1983.

Meanwhile, we will next month review in these pages some of the avalanche of new evidence which has borne out the contentions we made in *None Dare Call It Conspiracy* over a decade ago. ■ ■

CRACKER BARREL

- Honey found in the tombs of Egyptian pharaohs has been tasted by archaeologists and found edible.
- One cannot drown in the Dead Sea. It is twenty-five percent salt, which makes the water very heavy.
- Only eleven percent of Texas' workers are organized in labor unions, and wages and employment there are among the highest in the United States.
- From H.L. Mencken: "Don't overestimate the decency of the human race."
- Never take anything for granted, advised Benjamin Disraeli.
- Wall Street proverb: Buy on the rumor; sell on the news.
- The penguin titmouse of Africa builds its home in such a sturdy manner that Masai tribesmen use the nests for purses and carrying cases.